

**SENATE—Tuesday, October 3, 2000***(Legislative day of Friday, September 22, 2000)*

The Senate met at 9:30 a.m., on the expiration of the recess, and was called to order by the President pro tempore [Mr. THURMOND].

**PRAYER**

The Chaplain, Dr. Lloyd John Ogilvie, offered the following prayer:

God of hope, You have shown us that authentic hope is rooted in Your faithfulness in keeping Your promises. We hear Your assurance, "Be not afraid, I am with you." We place our hope in Your problem-solving power, Your conflict-resolving presence, and Your anxiety-dissolving peace.

Lord, You have helped us discover the liberating power of an unreserved commitment to You. When we commit to You our lives and each of the challenges we face, we are not only released from the tension of living on our own limited resources, but we begin to experience the mysterious movement of Your providence. The company of heaven plus people and circumstances begin to rally to our aid. Unexpected resources are released; unexplainable good things start happening. We claim the promise of Psalm 37, "Commit your way to the Lord, trust also in Him, and He shall bring it to pass."—vs 5,7. You are our Lord and Saviour. Amen.

**PLEDGE OF ALLEGIANCE**

The Honorable CRAIG THOMAS, a Senator from the State of Wyoming, led the Pledge of Allegiance, as follows:

I pledge allegiance to the Flag of the United States of America, and to the Republic for which it stands, one nation under God, indivisible, with liberty and justice for all.

**RECOGNITION OF THE ACTING MAJORITY LEADER**

The PRESIDENT pro tempore. The acting majority leader is recognized.

**SCHEDULE**

Mr. THOMAS. Mr. President, today the Senate will begin final action on the H-1B visa bill, with a vote on final passage scheduled to occur at 10 a.m.

Following the vote, the Senate will proceed to executive session to debate four nominations on the Executive Calendar. Under the previous order, there will be several hours of debate, with votes expected on the nominations during this afternoon's session. The Senate may also consider any appropriations conference reports available for action.

I thank my colleagues for their attention.

**AMERICAN COMPETITIVENESS IN THE TWENTY-FIRST CENTURY ACT OF 2000**

The PRESIDENT pro tempore. The Senator from Nevada is recognized.

Mr. REID. Mr. President, it is my understanding that we are now in the time equally divided on the H-1B matter to be voted on at 10 o'clock.

The PRESIDENT pro tempore. The Senator is correct.

Mr. REID. Mr. President, H-1B originated in our immigration laws in the 1950's so that trained professionals could work for a limited time in the U.S. In 1990, a cap was set on the category for the first time of 65,000.

Employers in every industry and sector of our economy, including manufacturing, higher education, health care, research, finance and others, have used it.

Employers from major multinational companies to small businesses seeking individuals with specific skills needed to grow their companies have used it.

It became wildly popular in the mid to late 90s following the Internet boom, when hundreds of hungry tech startups across the country began using it to recruit high tech workers from information technology jobs, mostly from India, China, Canada, and Britain. Some 420,000 are here today.

Those individuals have filled a critical shortage of high-tech workers in this country, which in fact, still exists today.

The American Competitiveness in the Twenty-first Century Act of 2000 proposes to raise the caps for the number of H-1B workers that employers can bring into the United States for the next 3 years.

When Congress set the 65,000 cap on H-1Bs in 1990, it was not based on any economic data or scientific study of the need.

And, this limitation was not challenged until 1997 when for the first time the cap was reached at the end of the fiscal year.

The following year the cap was again reached, but this time by May 1998. The cap has been reached earlier in each successive year.

In response to the increased demand, language was incorporated into the Omnibus Appropriations Act of 1998 to raise the cap on H-1B visas to 115,000 in fiscal year 1999; and 115,000 in fiscal year 2000; and 107,500 in fiscal year 2001.

Under the Omnibus Act of 1998 the cap would return to its original level of 65,000 after fiscal year 2001.

Despite the increases, continuing economic growth has led many in the technology sector particularly, to call for a further increase in the caps.

In fiscal year 1999 the INS reached the H-1B cap in June and stated that there may have been more than 20,000 additional visas issued over and above the ceiling.

The higher demand for H-1B visas has continued in fiscal year 2000.

In March of this year, the INS stopped accepting new H-1B applications, having enough cases in its pipeline to reach the cap.

In order to compensate for the demand, the INS began processing petitions in August 2000 for workers who are set to begin working fiscal year 2001.

Based on past years' filling patterns, the INS may have as many as 60,000 cases already pending to count against the 107,500 visas now available.

Most employers predict that the current visa allotment will expire before January.

There is no question we need to raise the cap for H-1B professionals.

I have always been in support of H-1B, as many of my colleagues have been.

But I have also been in support of the Latino Immigrant and Fairness Act, which I am a cosponsor and which I continue to strongly support.

But supporting one does not rule out supporting the other.

American industry's explosive demand for skilled and highly skilled workers is being stifled by the current federal quota on H-1B visas for foreign-born highly skilled workers.

The quota is hampering output, especially in high-technology sectors, and forcing companies to consider moving production offshore. Some companies already have.

The number of H-1B visas was unlimited before 1990, when it was capped at 65,000 a year.

In 1998 the annual cap was raised to 115,000 for 1999 and 2000 and currently there is a need once more to raise that cap.

The shortage shows no sign of abating.

Demand for core information technology workers in the United States is expected to grow by 150,000 a year for the next 8 years, a rate of growth that cannot be met by the domestic labor supply alone.